



March 1, 2011

The Honorable Gail Haines
Chair, House Health Policy Committee
Anderson House Office Building
124 North Capitol Avenue
P.O. Box 30014
Lansing, MI 48909-7514

Dear Chair Haines and Members of the Committee:

I am grateful that the Michigan House of Representatives Health Policy Committee scheduled time today to discuss HB 5204 legislation aimed to review and assess Michigan's efforts in battling, controlling and preventing diabetes. My name is Tom Boyer and I am proud to represent Novo Nordisk, a global leader in diabetes care. Personal passion about the well-being of people with diabetes has always been at the heart of this company. Novo Nordisk's history reaches all the way back to 1923 to a man driven to find an innovative treatment for his wife, suffering from diabetes. This foundation steered our commitment over eight decades and across the globe to help people dealing with this disease.

HB 5204 has a wide range of support from groups including the Council of State Governments (CSG) which recently supported the Diabetes Action Plan legislation as suggested state legislation and the National Conference of State Legislatures (NCSL) featured this legislation in publications as a potential step in battling the reach and scope of diabetes. Also, as you see here today the American Diabetes Association (ADA), American Association of Diabetes Educators, and others support this Diabetes Action Plan legislation.

The legislation aims to establish collaboration among state agencies with a vested interest in containing the reach of the diabetes epidemic by directing them to develop a plan of action to confront the disease. The bill also empowers these agencies and the legislature to tackle diabetes via action in the near term.

PREVALENCE OF DIABETES IN MICHIGAN: YESTERDAY, TODAY & TOMORROW

The reality is diabetes is a serious issue for Michigan. Unlike other chronic diseases, diabetes is the only one with prevalence trends increasing. Diabetes knows no boundaries. It affects men and women, all races and ethnicities, age groups, education levels and income brackets. However, research shows there are overwhelming disparities among the elderly, minority populations, and lower income and education levels.

We know that the numbers behind us are grim. The next questions to be asked are: what is the path ahead of us and what is the economic burden?

Beyond the drastic personal toll of diabetes in Michigan, there is an unrecognized economic impact on the state. Novo Nordisk recently commissioned the Institute for Alternative Futures to project what diabetes will look like in the years ahead. Our rationale involved needing a clear sense of what the future holds for diabetes rather than simply saying things are getting worse. Only with having awareness of the looming impact can we take more decisive action. The research findings highlight the legislative need while also sounding an alarm within Michigan.

More than 1,156,300 Michigan residents lived with diabetes in 2010, compared with 625,800 in 2000. This represents an almost 85% increase in just the past 10 years. An additional 2,629,600 Michigan residents were living with pre-diabetes in 2010. Taken together, more than one in every three people in Michigan today lives with diabetes or its precursor pre-diabetes.

The burden of diabetes will only continue to grow in Michigan. Projections are that in 2025 1,639,900 Michigan residents will live with diabetes, representing a 41.8% increase from 2010. The population with pre-diabetes will also grow to 2,728,800 up 19.6% from 2010. And, in 2025, Michigan and nine other states will collectively bear care for half the diabetes population in the USA and related costs of caring for this population.¹

THE HUMAN TOLL OF DIABETES IN MICHIGAN

The prevalence numbers tell only part of the story as Representative Womack pointed out in December. "People are often treated after the fact as opposed to receiving preventive care." This is precisely the problem.

Diabetes, if it is not diagnosed, treated, and controlled, can lead to devastating complications such as visual impairment that can lead to blindness; kidney failure; and amputations of lower extremities. Compared with rates in 2010, projections suggest that in 2025, there will be an increase of 56% in the number of annual cases in Michigan of visual impairment due to diabetes; a 38% increase in annual cases of renal failure; and a 19% increase in the annual number of lower extremity amputations.

Uncontrolled and inappropriately managed diabetes can shed years of productivity and increase chances of premature death. Michigan residents with diabetes are twice as likely to report depression while also having increased rates

¹ Diabetes Data & Forecasts. 2025 Diabetes Forecasts for State and Metropolitan Areas Study by the Institute for Alternative Futures. This study utilizes: a national model from Narayan. Impact of Recent Increase in Incidence on Future Diabetes Burden. Diabetes Care 2006, 29:2114-2116; the latest CDC projections by Boyle; US Census Bureau population estimates; and latest CDC national diabetes statistics and state prevalence rates. www.altfutures.org/diabetes2025

of heart attacks and strokes, blindness, kidney failure and amputations. The heart attack risk alone for people with diabetes is four times greater than those living without the disease.

THE COST OF DIABETES TODAY AND TOMORROW

The total financial burden of diabetes in America reached \$299 billion in 2010, and diabetes and its complications today consume more than one in every 10 of America's health care dollars. The total estimated medical costs for diabetes in 2010 in Michigan alone were \$10.6 billion, while hospitalization costs totaled over \$5.3 billion. According to 2025 projections, the cost of diabetes in Michigan will reach \$15.8 billion – representing a 49% increase from 2010.

HOW MICHIGAN ARRIVED HERE AND NEXT STEPS

Federal and state resources available to help Michigan fight the diabetes epidemic are limited. The Centers for Disease Control and Prevention (CDC) in 2010 allotted \$947,905 to Michigan to fight diabetes. When combined with other state and federal sums a total of \$1.777 million was available statewide to battle diabetes and kidney disease. Such limited funding makes it all the more imperative for Michigan state agencies with an interest in diabetes to coordinate their efforts and resources, as called for in the Diabetes Action Plan legislation.

Passing HB 5204 allows Michigan to take the first step in recognizing the challenge of diabetes. A fundamental premise of the legislation is that state officials charged with safeguarding the health of Michigan residents are best equipped to assess current state activities, develop future plans and guide the legislature in structuring efforts to battle the epidemic. Legislation similar to that before you was recently signed into law in Kentucky and Texas. In each case the legislation passed the legislature with unanimous votes of support coupled with enthusiastic signatures provided by governors enacting the provisions into law.

The legislation aims to achieve many objectives including ...

1. Requiring state agencies and related entities that devote resources to battling diabetes to conduct biennial assessments of the impact of the disease on state programs;
2. Requiring agencies and entities that devote resources to battling diabetes to conduct detailed biennial assessments of the benefits of implemented programs and activities. Such assessments should also document the amount and source for any funding directed to the agency or entity for programs and activities aimed at reaching those with diabetes;
3. Requiring state agencies and entities that are charged with battling or paying for diabetes to develop and revise biennially detailed action plans

for battling the disease. These plans should identify proposed action steps to reduce the impact of diabetes, pre-diabetes and related complications upon the program, taxpayers and state; and

4. Requiring state agencies and entities charged with battling diabetes or paying for health care services to care for people with diabetes to develop a detailed budget blueprint identifying needs, costs and resources required to implement their biennial diabetes action plans.

As means to achieve these goals at no cost to the state I offer enthusiastic support to an amendment referenced by the American Diabetes Association. This proposed amendment helps ensure affected agencies assess on-going activities via existing data already readily available and develop plans to combat diabetes from this information.

CONCLUSION

Enacting the Diabetes Action Plan legislation is a reasonable first step in battling diabetes in Michigan. Considering and passing this legislation will help turn Michigan into a leader in the battle against diabetes and provide the public with an understanding of what the state is doing to combat the disease. Such plans and assessment tools will also greatly help legislators when prioritizing resources available to battle diabetes and its complications.

This bill offers options and opportunities you can seize today to ensure that the future health of Michigan's children is not dictated by diabetes. Rather, by passing HB 5204, Michigan can begin to dictate the terms by which its citizens will engage diabetes. The bill will bring together the best and the brightest in the government ranks to provide their best thinking on how to battle diabetes. It will allow them to map out a future battle plan so you can act upon these plans. As Chair Haines said in December when describing this bill, "It makes sense to take an inventory of what is being done in the state to battle the disease and its implications."

Thank you for the opportunity to comment during this important hearing. I look forward to working with you and all the supporting entities on any and all matters related to diabetes over the months ahead. I sincerely appreciate your time and appropriate consideration of my remarks.

Tom Boyer
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Novo Nordisk Inc.